CAPITALAND LIMITED

Regn No.: 198900036N
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

ACQUISITION OF THE REMAINING REDEEMABLE PREFERENCE STOCK UNITS IN CAPITALAND CHINA RESIDENTIAL FUND LTD FROM EXISTING EXTERNAL INVESTORS

CapitaLand Limited ("**CapitaLand**") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand China Holdings Pte Ltd ("**CCH**"), has acquired the remaining 9,458.668 redeemable preference stock units ("**RPS**") in CapitaLand China Residential Fund Ltd ("**CCRF**") from the existing external investors of CCRF.

Prior to the acquisition, CapitaLand through CCH owned 4,787.669 RPS in CCRF and through another of its indirect wholly-owned subsidiaries, CapitaLand China Property Fund Management Pte. Ltd, owned two ordinary shares in CCRF.

Following the acquisition, CCRF has become an indirect wholly-owned subsidiary of CapitaLand.

CCRF is a Singapore-incorporated private equity fund company set up in 2003 which invested primarily in residential development projects in the People's Republic of China. CCRF has invested all of its funds and the fund's life is expiring in October 2009.

The aggregate cash consideration of US$28.20 million (approximately S$40.61 million) for the acquisition was arrived at on a willing-buyer willing-seller basis based on the net asset value of CCRF standing at US$37.77 million (approximately S$54.39 million) as at 31 August 2009.

The acquisition is not expected to have any material impact on the profit of the CapitaLand Group (before revaluations and impairments) for the financial year ending 31 December 2009.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the acquisition.

By Order of the Board

Low Sai Choy
Company Secretary
1 September 2009